

SACS ACCOUNTING COMMITTEE

Minutes

January 11, 2000

I. Progress on California School Accounting Manual (CSAM) Update

Both Part I and Part II of the December, 1999 edition of CSAM were approved by the State Board of Education on December 8, 1999 and are now at the printer. We anticipate that one copy of the manual will be mailed to each county office, school district, and charter school by the end of January.

Part II, the SACS coding, is now available on the Internet at:

<http://www.cde.ca.gov/sfsdiv/sacs/manchg.htm>

The changes between the December 1998 version and the December 1999 version are listed as an attachment to the minutes of the October 12, 1999 meeting.

II. Updates on SACS Software

- A. A draft version of the Program Cost Report that will be incorporated into the 1999-2000 unaudited actuals software was presented. This report will be for the General Fund (and the County School Service Fund) and will contain some checks and balances. The program will create the entries needed to book cost allocations, but these entries into the general ledger are not required. All data except for user input allocation factors would automatically be pulled from the General Ledger data.
The program cost report will be separate from the indirect cost rate calculation, and therefore follows a more accurate cost accounting approach. For example, the program costs will include the board and superintendent allocations, which must be excluded for indirect cost calculations.
- B. A draft of the new financial report for Fund 09 Charter Schools Fund was presented and discussed. This is a new Special Revenue Fund to be used for charter schools' activities by the approving LEAs. If LEAs are currently accounting for their Charter schools in their general fund, they may continue to do so.
- C. A draft of a letter on the revisions to the Criteria and Standards for Budgets and Interim Reports was distributed and discussed.
- D. Joanne Chini reviewed the draft of the J 141 Annual Report of Pupil Transportation, which is being built into the SACS software. Some data will need to be entered, such as the number of students transported and the

mileage, but the financial data will be pulled automatically from the “stream of data”.

III. Accounting Issues

- A. As discussed at the October meeting, a new object code will be added to SACS: **Object 8998, Flexibility Transfers**. This code is to be used exclusively to record the amounts of revenue that are allowed to be transferred between “mega-item” resources. This new object code should be used in the current year, 1999-2000.
- B. We discussed whether or not the costs of Continuation Education should be restricted by Resource 2200. There is a division of opinion as to whether or not the revenue limit funding generated by continuation students must be restricted.
- C. Four examples of how to code retiree benefits were presented. After final editing, these will be added to the Frequently Asked Questions on the SACS home page.
- D. Examples of how to code revenue to charter schools using the new Fund 9 Charter Schools were presented. After final editing, these will be added to the Frequently Asked Questions on the SACS home page.
- E. Currently, there are not enough resource codes to allow full division of the many types of Child Development contracts. Spreadsheets illustrating the various types of child development contracts, the PCAs that fund them, and the existing resource codes as well as proposed new resource codes were distributed. The proposed new resources will be discussed with CDE’s budgeting office, the Child Development Division, and some LEAs who provide multi-funded child Development programs to determine how many new resources might be necessary.
- F. Two examples of how to code the transfer of apportionment of Special Education were discussed. This resulted in more questions. The next SACS Accounting Committee meeting will concentrate on as many questions concerning Special Education coding as participants can bring.
- G. A question was raised concerning the accounting for the matching of Prop 1A money for construction with money from G.O. Bonds. It seems logical to transfer money from the Fund 21, Building Fund into Fund 35, County School Facility Fund. We will confirm this with the Office of Public School Construction.
- H. There is concern that the rules for the transfer of federal grant money from one LEA to another is not clear. Sometimes, LEAs are advised to use the same federal resource code with the pass-through object codes. Sometimes, the recipient LEAs are advised to use a locally defined resource with Object 8677 Interagency Services between LEAs. The field is asking that clear rules be provided on how to differentiate between the two scenarios.

IV. Year-end Closing

- A. As a result of reviewing the 1998-99 SACS financial data, Joanne Chini had some suggestions concerning common coding problems. She included a handout that she has used in her training sessions, listing some of the more common questions or misconceptions about SACS coding. Many other questions or comments were given by participants. Richard Serich of Orange County demonstrated his program for automating the J390 forms, which he offered to share with any interested LEA.

V. Update of the SACS Query Page

- A. CDE is in the process of updating the SACS Query System to include a comment field and, hopefully, the allowed indirect cost rate for each resource. Because the inclusion of proposed resources cause a great deal of confusion for CDE staff, it is anticipated that proposed resources from the upcoming Governor's Budget will be presented in a separate chart on the SACS home page rather than in the SACS Query System.